# Daily US Opening News - 18th June 2026

## SNAPSHOT

| STOCKS | | | |
|---|---|---|---|
| Euro Stoxx 50 | +0.2% | DAX40 | +0.2% |
| Stoxx 600 | -0.5% | FTSE 100 | -0.9% |
| ES Sep'26 | +0.9% | RTY Sep'26 | +1.2% |
| NQ Sep'26 | +1.6% | YM Sep'26 | +0.6% |

| FX | | | |
|---|---|---|---|
| DXY | +0.2% (100.57) | EUR/USD | -0.2% (1.1482) |
| USD/JPY | +0.1% (160.76) | GBP/USD | -0.3% (1.3246) |

| BONDS | | | |
|---|---|---|---|
| US T-Note Sep'26 | -2 ticks | Bund Sep'26 | -8 ticks |
| US 10yr Yield | 4.457% | German 10yr Yield | 2.938% |

| ENERGY & METALS | | | |
|---|---|---|---|
| WTI Aug'26 | -2.2% | Brent Aug'26 | -1.8% |
| Spot Gold | +0.3% | LME Copper | -1.0% |

| CRYPTO | | | |
|---|---|---|---|
| Bitcoin | -0.4% | Ethereum | -0.2% |

As of 11:00BST / 06:00EDT

## LOOKING AHEAD

- Highlights include Canadian PPI (May), US Initial Jobless Claims (Jun/13), New Zealand Trade Balance (May), BoE Policy Announcement, CNB Policy Announcement, UK Makerfield by-election, Speakers including ECB's Elderson, Cipollone & Lane, Supply from the US.
- Click here for the BoE preview
- Click here for the Week Ahead preview

## IRAN CONFLICT

- **Technical talks between the US and Iran will be held in Zurich on Friday,** Al Hadath reported citing sources. **Talks will include the legal aspects related to lifting Iranian sanctions, the issue of frozen funds and the Iranian nuclear file.** Qatar, Pakistan, Turkey, and Saudi Arabia will also attend the talks. An unannounced negotiation session will discuss issues related to Lebanon and Hezbollah.
- **The fifth round of US-Iran negotiations will discuss Israel's withdrawal along with a timetable for the experimental zone,** Al Hadath reported citing a Lebanese source. The source added that the US-Iranian agreement will intensify pressure on Israel to gradually withdraw and that there will be no retreat from restricting weapons to the state and deploying the army in the south. Lebanon is proceeding with direct negotiations with Israel.
- **Swiss Foreign Ministry confirmed that the US and Iran will meet on Friday for initial talks on MoU execution.**
- **The Swiss government, following the Iranian commentary, said the plan as it stands is still for the US, Iran, Pakistan and Qatar to meet on Friday in Switzerland to commence talks.**
- **US War Secretary Hegseth said they are to review where the right place for basing is, when the Strait of Hormuz opens and are prepared to resume strikes and blockade if Iran does not comply with MoU.**
- **US official said the Iran MoU was signed digitally on Sunday by US VP Vance and Iranian Speaker Ghalibaf, which was witnessed by US President Trump, while the US official said Iran MoU was signed on Wednesday by US President Trump and Iranian President Pezeshkian.**
- **US official says that Iran is to arrange safe, no-charge passage through Strait of Hormuz for 60 days,** according to CNBC.

- **Iranian Foreign Ministry spokesperson Baghaei said the MoU between the US and Iran was decided to be signed digitally, while the plan for negotiating teams in Geneva remains in place, but there will be no signing ceremony in Switzerland.** Baghaei stated that the 60-day period had started and that Israel's continued attacks on Lebanon would be regarded as a breach of commitments, while he also commented that the US has begun lifting the blockade on Iranian ships and that no enriched nuclear material will be sent abroad, and the dilution of nuclear material remains an option. Furthermore, he said **Iran will reciprocate if the US fails to honour commitments, and that Iran is to charge fees for Strait of Hormuz safety services, as well as stated that Iran and Oman are to manage the Strait of Hormuz security, and noted that Switzerland talks with the US are not yet certain.**
- **Iranian Foreign Ministry spokesman said Israel's continued attacks on Lebanon would be regarded as a breach of commitments.** The spokesman also said that the 60-day period starts today, according to the text.
- **Iranian Parliament Speaker and top negotiator Ghalibaf said the Strait of Hormuz will not return to pre-war conditions,** but this does not mean acting against international laws or maritime navigation, while he added that **payment for services through the Strait of Hormuz has been established in the MoU and that USD 300bln has been allocated to be invested in Iran, part of which will be spent on reconstruction.** Furthermore, he said Iran's action is contingent on US compliance, with Iran to pursue action-for-action policy, as well as separately commented that **Tehran can target ships entering Hormuz if needed, and that Tehran has sovereign rights to charge Hormuz tolls.**
- **Source on Telegram posted that several IRGC boats were engaged in unspecified activity in the Strait of Hormuz, and that a US ship broadcast a warning message in Persian to tell them to cease operations** and return to port, or else the US Navy would attack them.
- **An Israeli official said Israel has no intention of backing down on its positions and are holding stubborn negotiations with the US over its presence in southern Lebanon.**
- **Israeli military operations reportedly continue in Lebanon despite the MoU, while Israel opposes Lebanon ceasefire terms** in the US-Iran agreement, according to Al Jazeera.

# EUROPEAN TRADE

## EQUITIES

- **European bourses** (STOXX 600 -0.5%) start Thursday's session on a mixed footing despite the US and Iranian presidents digitally signing the MoU. Germany's DAX 40 (+0.1%) is the clear outperformer, while the FTSE 100 (-0.8%) is the laggard as multiple companies trade ex-dividends.
- **European sectors** highlight a negative bias. Technology (+0.3%), Industrial Goods & Services (+0.6%) and Telecoms (+0.1%) are the only sectors in the green. To the bottom lies Optimised Personal Care (-1.8%), Basic Resources (-1.9%), and Autos (-1.3%).
- **US equity futures** pare back Wednesday's Fed-driven selloff. In brief, the Fed held rates unchanged at 3.50-3.75%, however, the SEP highlighted a hawkish bias as 9 members forecast rate hikes in 2026.
- Click for the sessions European pre-market equity newsflow
- Click for the additional news

## FX

- **G10s** were initially mixed against a lacklustre USD. However, as the morning progressed, the Dollar found some strength and surpassed the highs made post-FOMC; today's peak is at 100.63. USD/JPY aggressively sold off earlier in the session from 160.80 to 160.48 but has since pared entirely.
- **GBP** was initially flat, but now posts modest losses against the USD. The BoE announcement is due today, where the MPC is widely expected to keep rates on hold in a 7-2/8-1 vote split as recent data and energy moderation support the narrative that bank rate is restrictive. With markets assigning a 95% probability of no-change today, attention will be on the vote split. While consensus is for 7-2/8-1, hawkish dissent from Chief Economist Pill and potentially one or two more policymakers remains possible, and would likely spur a hawkish reaction. In addition to the BoE, GBP will also digest results of the Makerfield by-election which will likely see Labour candidate Burnham emerge as the winner, and challenge incumbent Starmer.
- **Norges Bank** was broadly as expected with a fleeting kneejerk lower in NOK, the unwinding of tightening bets by c. 15% of market participants. The 2026 core CPI view was maintained and the 2027 one was trimmed modestly, as expected, while forecasts and commentary still show that inflation is "too high" and the Governor outlined that new information shows "inflation pressures are slightly stronger than we had anticipated earlier". As such, the Norges Bank points to tightening ahead, roughly in line with market expectations. EUR/NOK +0.3%.
- **SNB** kept rates unchanged in a mostly as-expected meeting. EUR/CHF is firmer today, potentially surrounding the fact that commentary around energy/raw materials suggests that the new forecasts do not account for the moderation in energy seen recently; over the medium term, sparking a return to concerns around inflation being too low in Switzerland. As such, EUR/CHF -0.2%.

## FIXED INCOME

- **Global fixed benchmarks** are trading on either side of the unchanged mark, with price action lacklustre since the European cash open. It appears that fixed benchmarks are taking a breather following this week's hefty declines in yields, which comes amidst sustained pressure in the energy complex. On the geopolitical front, US-Iran have signed the MoU, which means the Strait of Hormuz is theoretically open for ships to pass through, whilst the US blockade will also be lifted.
- **USTs** (-2 ticks) trades within a 109-09+ to 109-20+ range, and well off the lows seen overnight, which stemmed from a

hawkish Fed on Wednesday. A full recap can be found on the headline feed, but in brief, the unchanged policy was accompanied by hawkish dot plots and the removal of the easing bias. From a yield perspective, the **US 2s10s curve** is flatter post-Fed, and currently holding around 27.5bps, a level not seen since Liberation Day (2nd Apr 2025). This has unsurprisingly been led by the short-end, following the hawkish Fed. However, should inflation begin to ease later this year, there is some chance that the spread begins to widen once again, with short-end yields reflecting a less hawkish Fed. The long end may also be affected, with focus on Chair Warsh announcing a dedicated task force to review the Bank's balance sheet. Any hints of an acceleration of the roll-off would undoubtedly lead to a considerably steeper curve.
- **Bunds** (-9 ticks) and **Gilts** (U/C) trade in line with peers. Focusing on UK paper, traders will await the BoE this afternoon and then the start of the Makerfield by-election. In brief, the BoE is expected to keep rates on hold at 3.75%, with a mixed vote split. Some see in a range of 8-1 to 6-3. Thereafter, attention shifts to domestic politics, whereby a Burnham victory could see him launch a leadership challenge; for reference, he is viewed as the worst candidate for Gilts. There is a full preview in the Research Suite for those interested.
- **France sells EUR 13.999bln vs exp. EUR 12-14bln 2.40% 2029, 3.25% 2032, 2.00% 2032 and 3.00% 2034 OAT.**
- **Spain sells EUR 5.83bln vs exp. EUR 5-6bln 3.00% 2033, 3.40% 2036 and 4.90% 2040 Bono.**

## COMMODITIES

- **Crude futures are softer**, with **WTI Aug'26** slipping below the USD 75/bbl mark (USD 73.42-75.75/bbl range) while **Brent Aug'26** oscillates around a USD 78/bbl handle (USD 77.10-79.06/bbl band). US and Iranian leaders signed the MoU digitally, which has weighed on the energy complex. The deal allows for the immediate resumption of Iranian oil exports and possible access to a USD 300bln development programme, backed by sanctions waivers and unfreezing overseas funds. In exchange, Iran will never produce nuclear weapons. The MoU also confirmed earlier reporting that Iran's nuclear file will be deferred to talks for 60 days.
- More recently, reporting by Al Hadath noted technical talks between the US and Iran will begin in Zurich on Friday, in which the legal aspects related to lifting Iranian sanctions, the issue of frozen funds and the Iranian nuclear file will be discussed. Attention remains on whether Israel will back away from fighting Hezbollah in southern Lebanon. An Israeli official said that Israel has no intention of backing down on its positions and is holding stubborn negotiations with the US over its presence in southern Lebanon. However, energy benchmarks were unreactive following those comments.
- **Spot gold** has slightly pared back Wednesday's losses which were driven by a hawkish Fed meeting. After dipping to a trough of USD 4219/oz yesterday, the yellow metal ventured higher throughout the Asia-Pac session and reached USD 4330/oz at best this morning.
- **3M LME Copper** gapped lower and fell to a trough of USD 13.67k/t post-FOMC. In brief, the Fed held rates unchanged at 3.50-3.75%, however, the SEP highlighted a hawkish bias. 3M LME Copper has since traded rangebound, holding in a USD 13.67k-13.78k/t band.
- **Persian Gulf Petrochemical Industries CEO said 89% of damaged petrochemical units returned to production,** and the process of redesigning and strengthening production capacity is underway, ISNA reported.
- **Three Saudi Arabian-flagged supertankers laden with a combined 6mln barrels of crude sailed through the Strait of Hormuz on Thursday,** according to shipping data.
- **China's State Planner** said effective at midnight June 18th, domestic gasoline and diesel prices will be cut by CNY 515/t and CNY 495/t, respectively.

### NOTABLE EUROPEAN HEADLINES

- **Germany's Ifo cut its German economic growth forecast for 2027 to 0.8% (prev. exp. 1.2%). Inflation expected at 2.9% this year and 2.7% in 2027.**
- **Swiss Government cuts its 2026 GDP growth forecast to 0.9% (prev. 1.0%) and 2027 GDP growth forecast to 1.6% (prev. 1.7%, long-term avg. 1.8%).**

### NOTABLE EUROPEAN DATA RECAP

- **UK Unemployment Rate (Apr) 4.9% vs. Exp. 5% (Prev. 5%).**
- **UK Employment Change (Apr) 100K vs Exp. 75K (Prev. 148K, Low. -30K, High. 97K).**
- **UK** Average Earnings excl. Bonus (3Mo/Yr) (Apr) 3.4% vs. Exp. 3.3% (Prev. 3.4%).

### CENTRAL BANKS

- **The SNB held rates unchanged at 0.00%, as expected. The Bank stated that the readiness to intervene in FX is higher and that monetary policy is appropriate to keep inflation within the range consistent with price stability.** On inflation, the Bank stated that medium-term inflationary pressure, however, is virtually unchanged compared with the last monetary policy assessment.
- **SNB Chairman Schlegel said that monetary policy continues to have an expansionary effect.** Geopolitical uncertainty remains, risks of strong upward pressure on the CHF remains. "If necessary, we therefore have an increased willingness to intervene..." in FX.
- **The Norges Bank held rates unchanged at 4.25%, as expected. The Bank stated that it will likely be necessary to raise the policy rate further at one of the forthcoming monetary policy meetings.** Governor Bache stated in the release that inflation is too high and that new information indicates that inflation pressures are slightly stronger than we had anticipated earlier. The Bank's MPR was also revised higher, forecasting just above 4.5% at the end of 2026.
- **BCB** cut the Selic Rate by 25bps to 14.25%, as expected, with the decision unanimous.

## GEOPOLITICS

### RUSSIA-UKRAINE

- **Russia's Defence Ministry** said 555 Ukrainian drones were shot down over Russian areas overnight, according to IFX.
- **Russia attacked Kyiv with missiles and explosions heard in the capital, while it was separately reported that several Moscow airports have halted flights and Moscow's mayor announced that drones hit an oil refinery** in a massive attack, according to TASS.

## CRYPTO

- **Bitcoin** holds steady above the USD 64k handle after 2 consecutive days of losses.

# APAC TRADE

- **APAC stocks** traded mixed as the region reflected on recent key events, including the hawkish FOMC and Fed chair Warsh's first presser, in which the Fed kept rates unchanged, removed forward guidance, emphasised price stability, and provided hawkish dot plots. This triggered selling in stocks, treasuries and gold, while it boosted the dollar and yields, with money markets now fully pricing in an October hike. Nonetheless, some of the moves have since been pared, to varying degrees, as oil prices gradually declined following the announcement that the US and Iran have signed the MoU for ending the war, which is now in effect, but with the planned talks on Friday in Switzerland, said to not yet be certain.
- **ASX 200** was subdued with most sectors in the red and the declines were led by tech and miners.
- **Nikkei 225** extended on record highs to surpass the 71,000 level as manufacturers benefited from lower oil prices and optimism of the reopening of shipping in the Strait of Hormuz.
- **KOSPI** rallied and breached the 9,000 level for the first time amid strength in Samsung and SK Hynix.
- **Hang Seng** and **Shanghai Comp** were lower with underperformance in Hong Kong as the hawkish FOMC and increased prospects of a rate hike this year, pressured the local benchmark, given that any rate hike in the US would force the HKMA to move in lockstep with the Fed to defend the USD/HKD peg.

### NOTABLE ASIA-PAC HEADLINES

- **Japan's chief cabinet secretary Kihara said the Japanese government is monitoring FX markets closely and will respond to FX moves as needed.**

### NOTABLE APAC DATA RECAP

- **New Zealand** GDP Growth Rate QQ (Q1) 0.8% vs. Exp. 0.9% (Prev. 0.2%, Low. 0.4%, High. 1.0%).
- **New Zealand** GDP Growth Rate YY (Q1) 1.5% vs. Exp. 1.1% (Prev. 1.3%, Low. 0.6%, High. 1.3%).